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The Impact of Ethical Behavior on
Organizational Climate in Local
and Foreign NGOs of Armenia

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Abstract

Currently there is a worldwide increase in the importance, number and diversity of non-governmental organizations. Many foreign and local NGOs operate also in Armenia.

NGOs impact policies and advance initiatives that once were nearly exclusively the domain of governments and for-profit corporations, and their humanitarian service has become vital to the well-being of individuals and societies throughout the world.

However, with their increased importance comes increased responsibility. NGOs have the responsibility to be transparent, honest, accountable and ethical; to give out accurate information and not manipulate situations for the personal benefit of their boards and staff. They have the obligation to respect each person's fundamental human rights.

In addition to all these responsibilities NGOs should have a clearly cut ethical code to retain their employees and to maintain a productive organizational climate for their employees.

One of the essential conditions for proper functioning of any organization, namely NGO is the maintenance of healthy and motivating environment for self-actualization, high performance and creativity of the staff.

Unethical behavior can have impact on the overall organizational climate and employer-employee relations. But the most important thing is not to set written ethical codes but also take the responsibility to enforce it. Thus, NGOs must have a system of proper governance according to the highest code of ethical conduct. NGOs cannot survive without proper management of ethical issues . That is why the study was devoted mainly to NGOs. The research aimed at comparing local NGOs with foreign ones to see whether there was difference in terms of ethics and organizational climate.

One local and one foreign NGO were taken for a case study. The criteria for selecting particularly these two NGOs were based on the size of workforce of the NGO (especially the local NGO as many Armenian local NGOs have maximum 5 or 6 employees); the similar or identical field of activities and sensitivity to ethical issues: both of the selected local and foreign NGOs are engaged in advocacy. NGOs are mainly comprised of lawyers who are protecting legal rights in means and ways not prohibited by law.

The study mainly focused on advocates to find out whether together with Advocate's Code of Ethics there is a Code of Ethical Conduct and if it is enforced and managed.

According to the findings both organizations have structure-based written Code of Conduct and there is a committee responsible for managing it. However, a difference of means test showed that there is statistically significant difference between the means of both NGOs regarding following written Code of Conduct and management of the overall organizational climate and employer-employee relations.

Thus, for the proper functioning of NGOs it is necessary not only to have a structuralized written ethical code but also take responsibility for enforcing it.

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Introduction

The number of organizations, namely NGOs is increasing swiftly throughout the world. Because of the vast changes in the surrounding world and technological innovations NGOs are growing rapidly.

NGOs impact policies and advance initiatives that once were nearly exclusively the domain of governments and for-profit corporations, and their humanitarian service has become vital to the well-being of individuals and societies throughout the world. (Wango 2004, 7)

Organizational structure and performance have always been one of the essential issues in the field of public management and organizational behavior.

Public personnel administration is required to create a working environment for all the employees, as well as to change personnel polices and practices ranging from hiring to the accommodation of employee's non-work obligations to enable both public and private organizations to be competitive. (Ban & Riccucci, 1991, xi)

Public personnel administration is also required to change in response to rapidly changing technology. Computer technology and networks have led to changes in how managers communicate with their employees, how managers make decisions. Public personnel administration must be able to accommodate these technological developments because of their profound impact on working conditions, interpersonal relations between managers and their employees, productivity, and human resources planning decisions. (Ban & Riccucci, 1991, xi)

There has been a great problem with public administration in all of the transitional countries, including Armenia. All the countries under the Communist regime were characterized by inflexible and unresponsive public sector institutions and were backed into corners by failure to assess political and economic opportunity costs of their policies. States across the region were incapable of responding to growing demands for better goods and services, and for fewer authoritarian controls over individual behavior. (Guess 1997, 558)

Public administration under central planning was exercised by rigid rules, formulae, physical norms that allowed the Communist Party to govern from the top to the bottom. Administration was chaotic, and driven by excessively detailed rules that lacked managerial applicability. Because of improperly designed organizations, managers ended up with either too much or too little information and authority. (Guess 1997, 559)

The scholarly treatments of post-communist transitions dwell upon the issue of change in bureaucracies. They insist on recreating an effective public management system in post-communist countries, the necessity to improve human resource management. (Gabrielian & Holzer 1999, 4)

According to Kouznetsova and Holzer (1999, 78) different schools of thought have their own recommendations as to how an organization can be run more effectively and efficiently. Despite profound changes, the traditional administrative structure that together with the party hierarchy used to make the system of power and control in the Soviet region is much slower to change. The change is not achievable until there is a change in the values and beliefs of those people who fill the structure with substance, who for the most part still accept it as it is, and without whose good will and participation progress is not possible.

The "carrot and stick" theory does not work if humans are basically motivated with higher needs. This type of management cannot provide humans with self-respect, or with respect of his/her fellows, or with the satisfaction of needs for self-fulfillment. It does not stimulate an employee's creativity, his/her interest in the job and feeling of responsibility. (Litvinova 1999, 122)

Liudmila Kouznetsova and Marc Holzer state (1999, 122) that public personal management in all over the post-Soviet region was experiencing difficulties caused by the crumbling of ideals and values, and by the disappearance or transformation of familiar patterns of relation between individuals, groups, and organizations. They consider that the improvement of the performance of organizations will come with restructuring the general mode of organizing and enhancing supervisor-employee relations. The Western literature assume that organizational processes and outcomes are shaped by a dynamic interaction of organizations with ever-changing environment; that managing human side of an

organization, in particular, is greatly influenced by the political, economic, legislative and cultural climate within which the organization operates.

When everything was public, centrally planned and managed through a chain of command, nobody bothered about some special training for public managers and administrators. The situation has changed in transitional countries, namely in Armenia when many private businesses and organizations have emerged. Managers need new knowledge and expertise to handle the organizational structure and staff, to promote employees for improving their performance, which will be mutually beneficial for the employees and the organizations. A huge gap in public personal management has led to ineffective organizational structure and performance where the ethical and human aspect of the organizations has been disregarded. (Litvinova 1999, 122)

All the environmental, technological, political, social, economic changes influence on the functioning of complex organizations as well as NGOs in transitional Armenia. That is why an effective human resource management is needed in the Armenian organizations to provide ethical and encouraging climate for the employee productivity and motivation.

People are needed to carry out the purpose of the organization whether it is a big organization or an NGO. Understanding the behavior of people as individuals and in groups is, perhaps, one of the most challenges for most organizations. It is also extremely important for the individual. Most people know the technical aspects of their jobs; yet many of them fail because they do not know how to relate well to other members of the organization. (Wayne, 2001, 13)

Currently different foreign and local NGOs operate in Armenia, and their number is increasing because of their great importance for the development of the Armenian society. However, the Soviet hierarchy is still preserved in many of the Armenian NGOs: the employees do not participate in decision-making processes of the organization; there is no motivation for the employees, there is no standard ethical code for the whole staff of the organization and if there is one, nobody follows its rules. Human relations are not taken into consideration which is of great importance for employee job satisfaction and performance. In such unhealthy conditions NGOs that are one of the vital powers for

the advancement of the Armenian society will not be capable to prosper and broaden the scope of their activities.

Even though NGOs in Armenia have a small size of employees there is still lack of properly set ethical norms and good human relations. Ethical behavior is of great necessity for the organizations working in Armenia for their proper functioning as well as for the competitiveness and growth of the country.

Some sources note that unlike local NGOs foreign NGOs operating in Armenia have a properly set code of conduct, system and procedures that create healthy organizational climate for the motivation, job satisfaction and productivity of the employees.

According to other sources, working in local NGOs is more preferred than in foreign ones as they create all the necessary conditions for the creativity and promotion of the employees.

Thus, the study aims at finding out the difference between foreign and local NGOs in terms of the management of ethical issues..

Literature Review

Why Ethical Behavior and Organizational Climate are Necessary for NGOs?

With the increased number of NGOs comes increased importance and responsibility of NGOs. Mandated to serve in the public interest NGOs have been active in a broad assortment of fields across the world and including Armenia, operating for the welfare of the society and the attainment of civil rights. (Vibert 2006, 35)

NGO is a legally formed autonomous organization that possesses non-profit making status and whose primary motivation is to establish a just, responsible and emancipated society to strengthen an enabling environment for civil society institutions, public welfare and citizen rights groups. Achieving a responsible, just and dynamic society calls for a state system that is responsible, democratic and sensitive to citizens' welfare and development (Wango 2004, 15)

An NGO's first commitment must be service to the people, and direct efficient delivery of aid moneys in a fashion that invests in the community in physically visible ways, for the long term good of that community. If a passerby is to walk into the target communities and ask them what the NGO has done, then it should be readily visible, and the longer the NGO has been involved, the more that should be visible, particularly recent results. (Tetchiada 2005, 18)

NGOs are committed to sustaining and adhering to the basic principles of democracy, social justice, equality, human rights and good governance, protecting the integrity of their independence and autonomy, remaining responsive to the needs and aspirations of the people they serve, promoting the application of best practices within the context of sustainable human development and supporting encouraging people's participation in the development process as the norm or the policy and not an option or a privilege. (Tetchiada 2005, 18)

NGOs are engaged in promoting an enabling environment in which communities can effectively participate in development issues that affect their lives and establishing an environment for staff to be creative and resourceful to the best interest of the organization, their beneficiaries and for their own growth and development based on mutual trust, honesty, and personal commitment. (McGee 2005, 6)

NGOs should ensure the existence of democratic management institutions and that the people who serve in them are democratically elected through a participatory process. NGOs should guarantee that, once people are elected to positions of power or authority, they do not perpetuate their stay and should demonstrate high moral values and integrity. (McGee 2005, 6)

NGOs need to be accountable for their actions and decisions, not only to donors and governments but also to project beneficiaries and staff. (Wango 2004, 16)

In addition to all these responsibilities NGOs should have a clearly cut ethical code to retain their employees and to maintain a productive organizational climate for their employees. (Wango 2004, 16)

NGOs should recognize and respect that staff are individually different, resourceful in their own way and display loyalty to the institution in different forms. Staff rights, dignity and freedom of association, conscience and expression shall be respected and protected. It is these elements that make people different but bind them together by a common understanding of why they are pursuing common goals in the NGO sector. (Tetchiada 2005, 18)

NGOs should develop and implement clear policies, guidelines and procedures that relate to staff welfare, development and safeguarding of their rights. Staff recruitment, promotion and opportunities for development and training shall be given to all staff on the basis of merit and qualifications. (Tetchiada 2005, 18)

One of the essential conditions for proper functioning of any organization, namely NGO is the maintenance of healthy and motivating environment for self-actualization, high performance and creativity of the staff.

The term "organization" is defined as two or more people working together toward common goals.

Nearly all the organizations have several elements in common: purpose, people and structure. (Edwin 1996 95)

Once an organization starts to grow, some form of structure evolves. Organizational structure refers to some type of hierarchy or arrangement of people. One person is in charge to give structure or definition to the purpose, goal or task and has the responsibility and authority to see that the goals of the organization are achieved. The structuring of people into hierarchies occurs throughout an organization as it grows larger in its effort to accomplish a purpose. (Edwin 1996, 95)

Kouznetsova and Holzer note that (1999, 87) as a system of shared values develops, it is necessary to create a new organizational climate: to rethink and reform the patterns of managing human relations in organizations.

Theories of human relations and organizational humanism emphasize the primary importance of the individual in the organization and participative management as a model of effective administration; organization development approach puts emphasis on team –building activities as a means to integrate individual and organizational objectives. (Kouznetsova and Holzer 1999, 87)

Organizations need to substitute the vague sense of commitment to the society at large, replacing it with the operational commitment to the society through the organization by spelling out and promoting the organization's mission and vision; to create the organization's system of shared values; to try to release human potential in the workplace, fostering the values of personal responsibility, independent thinking, activeness and cooperation; to promote the supportive leadership style in supervisors, open communication and psychological and emotional support; to provide ways for employees to be involved in decision making, and foster employee involvement processes; to apply the team approach as a human resource a management technique; to put greater emphasis on informal rewards, like bestowal of esteem and respect, in motivations employees; to develop and maintain a

comprehensive training program for both managers and staff in order to change archaic attitudes and modify behavior at all levels. (Kouznetsova and Holzer 1999, 88)

It does not matter what kind of organization it is very often the human side of that particular organization suffers. Perhaps, most of the people have some concept of what ethics means, but they are often too busy to think about ethics within a structured decision-making model. Therefore, the employer-employee relations start to fall down. Employers are required to provide appropriate conditions for human nature and human motivation, to make it possible for the employees to recognize and develop their human characteristics and achieve their own goals best by directing their own efforts toward organizational objectives. (Robert1989, 13)

In all the complex organizations and even NGOs the division of work is inescapable. In this case the coordination of work becomes mandatory. Matteson and Ivancevich (1993, 18) state that there is no one way to coordination. Experience shows that it may be achieved in two primary ways. The first way is by organization; that is, by interrelating the subdivisions of work be allotting them to those who are placed in a structure of authority, so that the work may be coordinated by orders of superiors to subordinates, reaching from the top to the bottom of the entire enterprise. The second way is by the dominance of an idea; that is, the development of intelligent singleness of purpose in the minds and wills of those who are working together as a group, so that each worker will of his/her own accord fit his/her task into the whole with skill and enthusiasm. (Matteson & Ivancevich 1993, 18)

During the whole procedure of the evolvement of an organization ethical aspect is one of the vital parts of the organization. Ethics is considered as an invisible regulating hand within the whole organization.

Organizations should believe in the Golden Rule of ethics, which states that one should treat other people as one wishes to be treated. (Constant 1998, 70)

In many NGOs very often the human side of the organization suffers. Perhaps, most of the people have some concept of what ethics means, but they are often too busy to think about ethics within a structured decision-making model. Therefore, the employer-employee relations start to fall

down. Employers are required to provide appropriate conditions for human nature and human motivation, to make it possible for the employees to recognize and develop their human characteristics and achieve their own goals best by directing their own efforts toward organizational objectives. (Constant 1998, 70)

Lack of ethics may create a serious hindrance in employer-employee relationships, may decrease employee motivation and productivity, may increase corruption, and eventually an organization may turn into a hierarchical, bureaucratic, stressful workplace, where employees gradually become machines, losing their self esteem and innovative skills and talents. Employers' attitude and behavior are of great importance for employee performance at work.

Thus to achieve all these things NGOs must have a clearly cut ethical norms and procedures namely Code of conduct and that will be mandatory for both the employers and employees. NGOs cannot survive without proper management of ethical issues.

Ethical Conduct in Organizations

One of the vital functions of public personnel management in organizations and companies is to maintain ethical behavior between the supervisors and subordinates.

The word ethics comes from the Greek root, "ethos," and in its original for referred to habitual practices and customs. Ethics is defined as the study of conduct between individuals-what are the standards governing their interrelationships? The problem of ethics is concerned with the behavior of individuals. (Sisk 1973, 72)

American Chamber of Commerce in Armenia considers that trust has been shown to be a key indicator for economic growth. Trust is largely a matter of predictable, fair behavior, in a word, ethics. While ethical behavior is desirable in its own right and has its own rewards; it also has an instrumental value as a factor of country competitiveness.

Countries where the business environment is ethical have a higher degree of trust and are more predictable, therefore, business is less risky. Investors, employers, and employees spend less time and energy on protecting themselves from these environmental risks, and more on their primary task of meeting and beating the competition by producing products and providing high quality services to their customers. (Owen 2003, 10)

Ethical problems recognized primarily as matters of interpersonal relationships are closely related to company objectives since interpersonal contacts of an executive arise to a large extent as the result of actions intended to assist the company in meeting its objectives. (Sisk 1973, 75)

Ethics is a widely debated topic in government and public administration. A great attention has been devoted to unethical behavior in government at all the levels. Newspapers, magazines, television and the Internet have exposed instances of scandals, fraud, waste, abuse, and corruption. The institutionalization of ethics is a major challenge for public institutions. The role of human resource managers is to provide opportunities to build a commitment to integrity and to convince those in the organization that ethics is of great importance. (Gerald 1998, 18)

According to Gerald (1998,18) a national survey of the Ethics Officers Association in the US found that eight in ten HR professionals claimed that they were responsible for ethical leadership in their organizations, and even higher percentage (95 percent) said that "HR staff would be responsible for ethical leadership".

Ethics is more than simply following the letter of the law. It is a fallacy to assume that everything that is legal is also morally correct; it is equally problematic to presume that everything one considers to be ethical must therefore be legal. Law and morality are related, but they are certainly not the same thing. (Patrici 2004, 9)

Organizations that follow the letter of the law and nothing more are clearly looking out for their own needs, without considering the possibility that their responsibility to their communities might be

morally dictated rather than simply legally. What they ought to do might be considerably more than what they must do. (Patrici 2004, 9)

Each organization or company sets its ethical conduct. According to Gandz, & Bird,(1989, 108) ethics are principles of conduct used to govern the decision making and behavior of an individual or a group of individuals. A code of ethics has significant importance for an organization.

A code of ethics is a written document that outlines the principles of conduct to be used in making decisions within the organization. Codes of ethics are based on one or more of the following philosophical approaches: justice, individual rights, and utilitarianism. (Gandz & Bird,1989, 108)

The principle of justice involves making decisions based on truth, a lack of bias and consistency. The principle of individual rights concerns making decisions based on protecting human dignity. For example, managers would not force employees to act in a way that is contrary to their moral believes. (Gandz& Bird, 1989, 108)

Strong,& Meyer (1992, 89) define code of conduct in the following way:

A code of conduct is intended to be a central guide and reference for users in support of day-to-day decision making. It is meant to clarify an organization's mission, values and principles, linking them with standards of professional conduct. As a reference, it can be used to locate relevant documents, services and other resources related to ethics within the organization.

A code is an open disclosure of the way an organization operates. It provides visible guidelines for behavior. A well-written and thoughtful code also serves as an important communication vehicle that reflects the covenant that an organization has made to uphold its most important values, dealing with such matters as its commitment to employees, its standards for doing business and its relationship with the community. (Strong, & Meyer, 1992, 89)

A code is also a tool to encourage discussions of ethics and to improve how employees/members deal with the ethical dilemmas, prejudices and gray areas that are encountered in everyday work. A code is meant to complement relevant standards, policies and rules, not to substitute for them. (National Research Council Staff 1997, 65)

Codes of conduct offer an invaluable opportunity for responsible organizations to create a positive public identity for themselves which can lead to a more supportive political and regulatory environment and an increased level of public confidence and trust among important constituencies and stakeholders. (National Research Council Staff 1997, 65)

It is worth to state the words of James F. Lincoln, the founder of the highly successful Lincoln Electric Company (Genfan1987, 35): "Do unto others as you would have them do unto you." This is a proper labor-management policy.

Codes of ethics should be formal, written and communicated to all the employees. Obviously, codes of ethics do not end unethical behavior but they are a positive step in addressing the problem. (Genfan,1987, 35)

Henry Sisk considers that (1973, 89) the chief value obtained from the establishment of a code is that it offers a framework within which individual members of the group may work. Guides are provided that offer aid in reaching decisions on those problems having a high ethical content. Ethical codes tend to be and expression of ideal and, as such, they have the effect of raising the level of conduct of the group governed by the code. There have been many criticisms of codes of ethics. Chief among these criticisms is that, for the most part such codes are established voluntarily and are difficult to enforce. Usually the penalty for violating a code is expulsion from a group, which has the effect of leaving the violator free from further criticism. Codes are also criticized as being at best an expression of good intentions and not an accurate statement of conditions as they are.

One of the advantages of personnel policy, formal rules and codes of ethics is that they promote substantive equality of treatment. Companies that have a proper personnel policy and procedures for terminating employees are constrained from simply mistreating or firing an employee in violation of official policies. (Beauchamp & Bowie 1988, 259)

According to Certo (2000, 66) codes of ethics commonly address such issues as conflict of interests, competitors, privacy of information, gift giving, and giving and receiving political contributions or business. A recent survey shows that the development and distribution of code of

ethics is perceived as an effective and efficient means of encouraging ethical practices within organizations. Managers cannot assume that merely because they have developed and distributed a code of ethics, organization members have all the guidelines they need to determine what is ethical and to act accordingly. It is impossible to cover all ethical and unethical conduct within an organization in one code. Managers should view codes of ethics that must be evaluated and refined periodically so that they will be comprehensive and usable guidelines for making ethical decisions efficiently and effectively.

Creating, distributing and continually improving a company's code of ethics is one common step managers can take to establish an ethical workplace. (Certo 2000, 67)

Another step managers can take to create an ethical workplace is to set up a special office or department responsible for ensuring that the organization's practices are ethical. For example, Management at Martin Marietta, a major supply of missile systems and aircraft components, has established a corporate ethics as tangible sign to all employees that management is serious encouraging ethical practices within the company. (Certo 2000, 67)

Another way to promote ethics in the workplace is to furnish organization members with appropriate training. General Dynamics, McDonnell Douglas, Chemical Bank, and American Can Company are examples of corporations that conduct training programs aimed at encouraging ethical practices within their organizations. (Certo 2000, 67)

Organizational Climate and Employer-Employee Relations

Another important factor for effective functioning of an NGO is maintaining ethical and healthy organizational climate.

According to Steven Ott (1989, 116) organizational climate is like the space that surrounds the core of an "organizational donut". It determines the areas in which an organization can place claims on employee's energies, enthusiasms and loyalties. It is not easy to convince employees who have worked for decades in an organizational climate of, for example, "no mistakes" to start taking personal risks,

such as communicating openly with their supervisors when they exceed their official authority or ignoring counterproductive policies in order to respond effectively to agency or client problems.

Organizational climate holds keys that a human resource manager can use to unlock the status quo-to help the organization advance to a higher plane of performance, productivity, flexibility, innovation, effectiveness or diversity.

Robbins and Schrantz note (1988, 38) that the organizational climate is changing every few years. It is a shared understanding of norms and beliefs, an important determinant of its external environment.

Organizational climate helps people in an organization understand which actions are considered acceptable and which are considered unacceptable. As the company grows and becomes successful, it usually develops a climate that distinguishes it from other companies and that is one of the reasons for its success. (Moorhead and Griffin 2001, 482)

Strategic values are the basic beliefs about an organization's environment that shape its strategy. They are developed following an environmental scanning process and strategic analysis that evaluate economic, demographic, public policy, technological, and social trends to identify needs in the marketplace that the organization can meet. Strategic values link the organization with its environment. (Moorhead and Griffin 2001, 484)

An organization's climate evolves gradually, and employees may not even be aware that it exists. Organizational climate is important because it helps define how workers feel about their jobs. Climate evolves common assumptions about how work should be performed and about appropriate objectives for the organization, for departments within it and for individual employees. It consists of the organization's customary ways of doing things and its members' shared perceptions of issues affecting the organization's work. Culture helps define how workers feel about their jobs and about what is and what is not correct. It affects individual perceptions of colleagues and situations, and the leadership style applied within the organization. (Graham and Bennett 1998, 159)

Organizational climate is not difficult to change and measure; but it can be transitory, like a mood. Organizational climate is close to the surface and relatively easy to sense. Changes in events or leadership can cause it to swing, and the changes can be noticed. (Ott 118)

Navran Associates Management Consultants (1997, 167) speak about the theories of personality which stress that an individual's personality becomes complete only when the individual interacts with other people, growth and development do not occur in vacuum. It is necessary to understand how work organizations influence the growth and development of the adult employee.

Argyris (Graham and Bennett 1998, 159) turns his attention to the defining characteristics of more traditional work organizations. In particular, he argues that in the pursuit of efficiency and effectiveness, organizations create work situations aimed more at getting the job done than at satisfying employee's personal goals.

Argyris argues that traditional organizations often create work situations with the following characteristics: Employees are allowed minimal control over their work; control is often shifted to machines. (Graham and Bennett 1998, 159) They are expected to be passive, dependent, and subordinate and are allowed only a short-term horizon in their work. Employees are placed on repetitive jobs that require only minimal skills and abilities. All this can make people work under conditions leading to psychological failure.

According to Beauchamp and Bowie (1988, 257) employees in all the organizations want primarily to be treated as persons who make an essential contribution rather than as means to the end of profit. They want decent salaries and job security, but they also want appreciation from supervisors, the sense of accomplishment, and fair opportunities to display their talents. Many employees are also interested in participating in the future of the company, defining public responsibilities of the corporation, evaluating the role and quality of management, and most especially, helping to set the tasks assigned to the job.

Many international organizations have invested considerable ingenuity in implementing increased worker participation, including reorganization to give employees more to say about their jobs

and about company fringe benefits. Numerous corporations have revised their conception of employee relations by establishing explicit standards for hiring, firing, merit evaluation, retirement, grievance proceedings, and participative management by workers. This is the only means to alter traditional hierarchical patterns of the employer/employee relationships. (Beauchamp & Bowie 1988, 257)

To suggest that moral problems in employer/employee relations are all about employee rights would be one-sided. No less important are employee obligations: Employees have moral obligations to respect the property of the corporation, to abide by employment contracts, and to operate within the bounds of procedural rules. Just as the employee has rights as well as obligations, so the employer ahs rights that the employee must respect as well as obligations to the employee. When these rights or obligations compete, they must be balanced in such a way that no party is given an undue advantage or an unjustified form of power. (Beauchamp & Bowie 1988, 257)

Every individual is unique. Individual differences are personal attributes that vary from one person to another. Individual differences may be physical, psychological and emotional. The individual differences that characterize a specific person make that person unique. One person may be dissatisfied, withdrawn, and negative in one job setting but satisfied, outgoing, and positive in another. Working conditions, coworkers and leadership are just a few of the factors that affect how a person performs and feels about a job. Thus, whenever managers attempt to assess or account for individual differences among their employees, they must also be sure to consider the situation in which behavior occurs. (Moorhead and Griffin 2001, 90)

Psychologists have devoted a great deal of time and effort to studying the effects of reward and punishment upon human behavior. In general, it seems that situations that reward a person are satisfying and those situations that punish a person are dissatisfying. Further, people have a tendency to prolong or return to satisfying situations and to avoid those situations that are not satisfying. This line of reasoning is applied to the interpretation of morale as a factor in turnover and absenteeism. Thus, people with high morale (a high degree of perceived satisfaction of needs through the total job situation) can be expected to continue their job with a minimum amount of absenteeism, and those

who quit or are chronically absent do so because the situation is not satisfying to them. However, all this does not follow that satisfaction with the job will result in a high level of productivity. (Sisk 1973, 566)

All individuals are simultaneously members of several social systems and the attainment of goals within each of these social systems serves to satisfy the needs of the individual. High productivity is seldom a goal, but high productivity may lead to the fulfillment of a goal, thereby creating a feeling of satisfaction. In this case, productivity is varying concomitantly with satisfaction (goal attainment); there is no causal relationship. (Sisk 1973, 566)

One of the great challenges confronting managers in contemporary workplaces is to find and affect ways of increasing the productive efficiency of their subordinates. Most industrial and management psychologists assume that this goal is laudable and clearly to the advantage of the workers. They write in terms of increasing worker's satisfaction in what they do; of maximizing task involvement, and responsibility, of improving worker achievement, recognition of that achievement, participation, growth, and advancement. (Beauchamp & Bowie 1988, 287)

Sisk (1973, 544) considers that one of the most difficult tasks of an organization is that of motivating the employees-managerial and non-managerial alike-to perform the work assigned to them in a manner that meets or surpasses expected standards of performance.

According to Graham and Bennett (1998, 60) an employee's motivation to work consists of all the drives, forces and influences-conscious or unconscious-that cause the employee to want to achieve certain aims. Managers need to know about the factors that create motivation in order to be able to induce employees to work harder, faster, more efficiently and with greater enthusiasm. Employees are motivated in part by the need to earn as living and partly by human needs for job satisfaction, security of tenure, the respect of colleagues, and so on.

Psychologists interpret human behavior in the following way: All human behavior has a cause, which itself is the consequence of the combined effects of heredity and environment. At the root of human behavior are needs, or wants or motives. Need is the term usually employed in this connection.

Human behavior is goal-seeking; people try to achieve objectives or goals which, when reached, will satisfy their needs. (Graham and Bennett 1998, 62)

Certo makes the point (2000, 361) that unsatisfied needs can lead organization members to perform either appropriate or inappropriate behavior. Successful managers minimize inappropriate behavior and maximize appropriate behavior among subordinates, thus raising the probability that productivity will increase and lowering the probability that it will decrease.

Practical Way of Thinking

All the above mentioned scholars emphasize the structural approach of ethics in organizations. They state that if any organization, namely an NGO has a written Code of Conduct with clearly cut structure and procedures it can maintain a satisfactory organizational climate for the employees and it can raise employee motivation, job satisfaction and productivity.

However, there are some scholars who add to this point of view their practical approach to handling ethical issues. They insist that for proper functioning of any organization regular procedures are needed to monitor and enforce the ethical norms within an NGO. They think that only by implementing all the written standards and regulations an organization can achieve a productive and motivating organizational climate.

According to Parsons (2004, 16) ethics regulates relations within an NGO. The employees do their job with honesty and openness, trying to be fair both to the organization they represent and to those who they are dealing with in the external world. However, no NGO can succeed without strictly following all the rules regulating public relations within the organization. There is no doubt that even with a written ethical code people sometimes face difficulties dealing with each other and it is necessary to have certain procedures to handle ethical issues within any organization.

The author takes the reader through the practical world of ethics, dealing with some typical ethical problems. She speaks about ethics in practice. She asks the readers to examine their own moral

principles and how these underpin approaches to practice. All those scholars who believe in the practical aspect of ethics agree that ethics is more than simply written rules. Professionals need to be able actually to apply these rules and standards. (Parsons 2004, 16)

According to Cooper (2000, 260) the strengths of professional norms as structures influencing ethical behavior include the emphasis on high levels of knowledge and training, and the tendency to encourage best practices as standard practices (thereby raising the bar for good practice over time).

Graham and Bennett(1998, 19) suggest some practical techniques of employee motivation such as ensuring that employees feel they are valued; senior management setting a good example; two-way communication; respecting, trusting and empowering employees; treating people as responsible human beings rather than as resources to be exploited; creating an organizational culture wherein effort is seen to result in fair rewards; providing leadership training to managers and supervisors; providing rapid feedback on employee's performances; enabling employees to exercise their full range of abilities; telling people what exactly they need to do in order to achieve their career aspirations; making employees feel good about themselves; establishing fair employee complaints procedures; ensuring that managers listen to employees.

Maddux considers (2000, 34) that it is a fundamental concept both in complex organizations and NGOs that employers are responsible for maintaining discipline among the employees they supervise. All too often, however, discipline is misunderstood, or ignored. Many employers take little corrective action unless there is a serious breach of conduct.

Consequently, unless employers understand their roles relative to discipline, they are apt to either under or over-react. Either reaction has ethical connotations because the results of an inappropriate reaction can have negative consequences for employers, employees and the organization. These consequences often take the form of grievances, complaints of discrimination, law suits, loss of income, termination, lowered productivity, or general unrest or unhappiness. (Maddux 2000, 34)

A well-disciplined work group is one that operates like a team. It works productively while adhering to all necessary rules and regulations. A manager who wishes to have such a group must

insure all employees are properly trained and motivated to attain the standards of performance desired. (Maddux 2000, 34)

Unfortunately, even the best manager will, at some point, have an employee who does not follow the rules. Consequently, this manager, like a coach, will have to counsel the player. This may take the form of training, a warning, or reprimand. In serious cases it can involve suspension or discharge. However, managers should take actions ethically. (Maddux 2000, 34)

To function properly NGOs should define clearly management and staff roles and responsibilities to avoid conflicts within the organization. Such roles shall be properly documented and communicated to all concerned NGOs should mainstream participatory management processes in all functions of the organization to enhance ownership and the quality of decision-making. (Wango 2004, 27)

The management of the Code of Conduct will be vested with people of high moral and social integrity, who respect the rule of law, human rights and subscribe to the principles of participatory methodologies and monitoring and evaluation of the implementation process, the way in which the Code of Conduct is impacting peoples' behavior and organizational climate and how they are conducting business in light of the requirements of the Code of Conduct in general. (Kirrane, 1990, 53)

Thus there are two opposite opinions on ethical issues, theoretical and practical aspects of dealing with ethical issues.

The research aims at finding out whether there is a difference between foreign and local NGOs in Armenia in terms of not only having written ethical standards but also practicing them in order to maintain better organizational climate.

<u>Hypothesis:</u> To operate ethically NGOs that have specialized structure for ethics (codes, committees) must also consistently implement it for maintaining better organizational climate.

Research Question: Is there difference between foreign and local NGOs in terms of managing ethical issues as well as maintaining healthy organizational climate and being perceived as ethical?

Research Design and Methodology

Taking into consideration that Armenia is a country in transition That still has economic challenges- a high degree of shadow economy, incomplete market mechanisms, not very well functioning labor market, abundance of not yet fully organized and managed complex organizations as well as NGOs, and poor civil service, there is a little chance that NGOs in Armenia have a healthy management system, sound organizational climate and well established and practiced Code of Conduct. Besides local organizations, there are also great many foreign NGOs operating in Armenia.

To compare foreign and local NGOs operating in Armenia in terms of ethics and organizational climate an instrumental case study was conducted.

Currently many foreign and local NGOs operate in Armenia, which play a great role in the development of the Armenian society.

In order to function properly both foreign and local NGOs should seriously take into consideration their organizational structure and performance to maintain healthy and motivating organizational climate for the productivity of the employees.

It is worth mentioning at the outset that based on the scope of the study, the case selection was focused not on public organizations or private companies of Armenia, but especially on the third sector organizations such as international and local NGOs, as currently many new foreign and local NGOs operate in Armenia trying to enhance the development and prosperity and activeness of the Civil Society by different projects and reforms in particular fields.

To study whether there is a difference between foreign and local NGOs in Armenia regarding management of ethical issues and organizational climate one foreign and one local NGO operating in the same field of activities were taken for research study.

Case Selection

Since in the social sciences the cases represent some case population, selection of cases becomes the most important prospective of case study. (Miles & Huberman, 1984).

It is worth mentioning that there were a few criteria for selecting especially the following NGOs.

The first criterion was the size of the workforce. Nearly most of the foreign and especially local NGOs have maximum 5 or 6 employees, and no survey could have been conducted with so few people in staff to study their attitude towards the management of ethical issues and organizational climate. Thus, the case selection mainly focused on such NGOs that have a larger size of workforce, as for example more than 20 employees in order to have more robust results.

The second criterion to choose especially these NGOs was the similar if not identical field of activities. Both NGOs are engaged in practicing advocacy.

Advocacy is a public institution of society through which society keeps its balance between interests of society, state and individuals (legal and physical). It is a type of legal activity that is directed to implementation of pursued legal rights of those who receive legal aid in means and ways not prohibited by law. The goal of advocacy is to emphasize the priority of civil society and the law, to defend rights, freedoms and legal interests of individuals through providing qualified legal aid in the scope of legislation and rules of ethics.

The local NGO which currently has more than thirty employees is a professional union of individuals obtained the status of advocates and engaged in practicing advocacy. The objectives of this NGO are to create serious prerequisites for raising effectiveness and quality of advocates' activities. It defends the rights and legal interests of its members in relation with state and local self-governing bodies and organizations as well as in courts. It organizes professional education and training of its members. It creates conditions for its members to perform their professional activities. It implements supervision over execution of requirements as set forth in the Code of Advocate's Ethics.

Objectives concerning this NGO have state importance and express society's public interest. Rights of individuals and citizens, representation of freedoms and legal interests, legal consultation and defense in criminal and administrative, civil and economic, Constitutional proceedings is directed not only to satisfaction of interests of one person but to competition of criminal investigation, insurance of principle of controversy, gaining of justice and hereto, establishment of rule of law which is proclaimed by the RA Constitution and is principally important not only for private individuals but also for the whole society; with insurance of legality, maintenance of rights of individuals and citizens concerning both the society and the state.

Advocates are called for serving both separate individuals and citizens and ensure the defense of rights and legal interests of the whole society.

Advocates abet in establishment of priority of law in society, perform propaganda for lawfulness in order to reinforce respect towards human rights and freedoms and international norms.

For the first time in Armenia with the 2004 RA Law "on Advocacy" an attempt was made to formulate in the society the right picture of an "Advocate" (qualification) and to accommodate the advocate's activity with its mission, particularly, with the Article 17 of the Law it is defined: "Advocate" is the person who has obtained an advocate's license in the manner prescribed by this law and who took an oath.

Currently this local NGO has more than 700 advocates who are not considered as full-time employees. The selection was focused mainly on 35 full-time employees from all the levels of the organization.

The selected foreign NGO is a Justice Initiative partner institution in the area of Freedom of Information. It advances the rule of law by supporting the law reform process in Central and Eastern Europe and the former Soviet Union. Through its volunteer legal liaison program as well as its training institute in Prague, this NGO makes available American and European legal expertise and technical assistance for these emerging democracies in modifying and restructuring laws and legal systems.

It began working in Central and Eastern Europe in 1990. With little other technical legal assistance flowing into the regions from Western Europe or the United States, this NGO initially focused on such issues as constitutional law, judicial restructuring, criminal law, and commercial law. In an effort to support the development and reform of indigenous legal institutions, it is also allocating resources to assist in judicial restructuring, strengthening lawyers' associations, reforming legal education, and combating organized crime and corruption.

Today, the above mentioned foreign NGO has programs in nearly 20 countries in the region. These furnish technical assistance on a wide range of issues essential for further consolidation of the rule of law, including: judicial independence and effective judicial ethics regimes; adjudicating war crimes cases and increasing application of human rights norms; increasing access to justice; reforming legislation and legal institutions in countries striving for European Union accession; reforming law schools to better prepare tomorrow's legal professionals; combating corruption by adopting public integrity measures; building a "rule of law culture" by educating the public about legal rights and responsibilities; and revising procedural and substantive criminal codes to attack trafficking, money laundering, cyber crime, and other domestic and transnational crimes.

Currently it has more than 25 full-time employees. This NGO as any other international organization in Armenia is an affiliate organization and it puts into practices the strategies and procedures of its holding organization. Both selected foreign and local NGOs are cooperating in many of the legal projects.

The third criterion for case selection was the sensitivity of these NGOs to ethical issues.

Both NGOs that are attorney associations strongly follow the Code of Judicial Ethics.

It is important for such associations to inform the public about the standards of conduct expected from advocates, and contribute to the public assurance that justice is administered independently and impartially. That is why these associations are required to apply to codes of ethics that are part of larger statues such as judicial codes. In addition, it is advisable that principles of

professional conduct are drawn up by the judges themselves, enabling the judicial authority to acquire legitimacy by operating within a framework of generally accepted ethical standards.

The Code of Ethics should incorporate all substantive rules governing judicial conduct.

The primary purpose of the Code of Ethics should be to secure the impartiality, competence, integrity, and independence of the judiciary.

The research focused to study whether these attorney associations that strictly follow Judicial Code have a written Ethical Code to their employees and if so, whether they implement these procedures or not.

In order to find out whether there is difference between the selected foreign and local NGOs a survey was conducted. The research instrument was face to face interviews with 20 employees from each NGO. The sample size was 30 people from the local NGO and 25 people from the foreign NGO. The interviewees were employees from different levels of the NGOs who were involved in the everyday organizational work and have a direct impact on the organizational performance. The selection of the interviewees was done through to Systematic Random Sampling. 50 percent response rate was guaranteed and quantitative analysis was done. Since the questionnaire was presented in English it was necessary to translate it into Armenian for the employees of the local NGO to be able to understand. The questions regarding ethical code and organizational climate were taken from "Organizational Behavior: Human Resource Management" by Richard Steers and "Human Relations in Organization" by Rue and Byers.

The respondents were promised the anonymity and confidentiality as it would have been unethical towards them and their organizations.

The gathered data were input into SPSS and T-test was run to compare if there was statistically significant difference between the means of local and foreign NGO in terms of managing ethics and organizational climate.

Findings and Discussions

<u>Hypothesis:</u> To operate ethically NGOs that have specialized structure for ethics (codes, committees) must also consistently implement it for maintaining better organizational climate.

Research Question: Is there difference between foreign and local NGOs in terms of managing ethical issues as well as maintaining healthy organizational climate and being perceived as ethical?

According to the findings both foreign and local NGOs have written code of conduct and there is a committee responsible for it.

The first research question was answered: T-test showed statistically significant difference between the means of local and foreign NGO regarding following ethical rules. (See Table 1)

According to the research findings the local NGO of Armenia has a written ethical code, which they have taken from the Ukrainian model, and there is a special person who deals with ethical issues within the organization. Although they have put their regulations on the wall of the organization not all the employees follow ethical rules very strictly, as they explain that their employers do not follow the rules either. This shows that both the employers and the employees are not so responsible for the regulations and rules set in the organization.

However, they are trying to use sanctions to improve ethical behavior of the employees.

On the other hand, the foreign NGO also has ethical code and first of all, according to all the respondents the employers serve as a good example for their employees by their ethical behavior. In this case the employees feel great responsibility towards the rules of the organization.

The T-test showed statistically significant difference between the means of the local and foreign NGO regarding having relaxed and sound atmosphere inside the organizations. (See table 1)

The respondents of the local NGO were stating that there is tension and discriminating conditions for the employees which strongly hinders employee motivation.

On the other hand, the respondents of the foreign organization state that every tiny issue raised within the organization is shared among all the employees, is discussed and is given polite and practical decision.

The findings show that there is statistically significant difference between the means of the local and the foreign NGO in terms of providing the employees with clean and comfortable facilities. (See Table 1)

As to facilities, there are still facilities which are left since the Communist era, and it is only two years that this organization has started to buy new furniture and computers. However, not all the employees are provided with the clean and new facilities, which influences very much on employee motivation. Currently the organization needs more funds.

According to the interviews the employees of the international organization are not complaining about the facilities of the organization. The organization provides them with all the required facilities.

The T-test proved that there is statistically significant difference between the means of the local and the foreign NGO regarding trust in employer-employee relations. (See Table 1)

The findings showed that in the local NGO there are poorly established relations among employees. Not all the employees can trust their employers, whereas in the foreign NGO all the responsibilities and duties of the employees are clear cut and decided with the supervisors and the issue of confidence never occurs.

The findings show that there is statistically significant difference between the means of the local and the foreign NGO regarding decision making within the organizations. (See Table 1)

Most of the interviewees of the local NGO were complaining that many decisions are made from the top to down and very often they have no chance to participate in decision making.

The foreign NGO regularly organizes meetings where all the employees have equal saying.

The T-test showed that there is statistically significant difference between the means of the local and the foreign NGO regarding giving feedback to the employees in their organizations. (See Table 1)

The employees of the local NGO complained that very often they are ignored by their supervisors, as the letter are not at work place or are engaged in other work activities, and because of this the accomplishment of their tasks is often delayed.

The employees of the foreign NGO presented a completely opposite picture: they note that they regularly receive feedback from their supervisors, due to which they manage to meet their work deadlines.

The findings showed that there is statistically significant difference between the means of the local and the foreign NGO regarding cooperative relations among employees. (See Table 1)

The respondents of the local NGO stated that the tension occurs because the duties and obligations are not clearly cut for the employees, and very often there is an unfair division of work load, while the employees of the foreign NGO presented completely the opposite picture.

The second research question was answered positively: there is huge difference between the local and foreign NGO in terms of managing organizational climate and creating motivating environment for the productivity of their employees.

Conclusions

The hypothesis of this research has found support.

Based on the above mentioned findings it is worth bringing some concluding remarks regarding both NGOs.

One of the essential conditions for proper functioning of any organization, namely NGO is the maintenance of healthy and motivating environment for self-actualization, high performance and creativity of the staff.

According to the case study the foreign NGO as well as the local one has written ethical code and a responsible staff for monitoring it. However, the findings show that for proper functioning of any organization, in this case NGO it is not enough to have formal Code of Conduct, written ethical regulations and procedures. It is necessary to put all these rules and norms into practice. The only way for an NGO to survive is to manage its inner organizational climate, to create such environment where all the employees feel comfortable, respected, be free to participate in decision-making and able to bring some changes in the activities of the overall organization.

NGOs must voluntarily serve to the people, and must be direct efficient delivery of aid moneys in a fashion that invests in the community in physically visible ways, for the long term good of that community. All the activities done by NGO should be readily visible, and the longer the NGO has been involved, the more that should be visible.

NGOs are committed to sustaining and adhering to the basic principles of democracy, social justice, equality, human rights and good governance, protecting the integrity of their independence and autonomy, remaining responsive to the needs and aspirations of the people they serve, promoting the application of best practices within the context of sustainable human development and supporting encouraging people's participation in the development process as the norm or the policy and not an option or a privilege.

NGOs must establish an environment for staff to be creative and resourceful to the best interest of the organization, their beneficiaries and for their own growth and development based on mutual trust, honesty, and personal commitment.

NGOs must recognize and respect that staff are individually different, resourceful in their own way and display loyalty to the institution in different forms. Staff rights, dignity and freedom of association, conscience and expression shall be respected and protected. It is these elements that make people different but bind them together by a common understanding of why they are pursuing common goals in the NGO sector.

NGOs should develop and implement clear policies, guidelines and procedures that relate to staff welfare, development and safeguarding of their rights. Staff recruitment, promotion and opportunities for development and training shall be given to all staff on the basis of merit and qualifications.

In addition to all these responsibilities NGOs should have a clearly cut ethical code to retain their employees and to maintain a productive organizational climate for their employees. Moreover, to achieve all the above mentioned goals NGOs must try hard to find out better ways of management and control to bring all the written rules into practice.

Otherwise as a non-profit and voluntary-based organization how it is going to survive and how it is going to help the prosperity of the people and the society, if it is not healthy and ethical itself.

Thus, any organization, namely NGO must enforce all the ethical rules written only on the paper, because only by means of maintaining ethics within the organization, it will be possible to create a healthy organizational climate and hence increase motivation, employee satisfaction, and finally productivity, which in its turn will enhance the NGO.

According to the findings the next important point is the huge difference between the studied local and foreign NGO in terms of managing ethics and organizational climate. This means that the local NGO has a long way to compete with the foreign one and has a lot of things to learn from the foreign NGO. This improvement could be done by productive cooperation with the foreign NGO, as

both these NGOs operate in the identical field of activities, and the foreign NGO could share its international standards and experience with the local one by means of regular trainings and round tables.

A good piece of advice for the local NGO is to get rid of the Communist style management system, where all the decisions were made from top to down and move forward to more flat type of organizational structure, where all the employees have equal saying in serious decision making.

It is high time for the local NGO to get as much international experience as possible and try to get to the high level of international standards of organizational management.

Limitations and Directions for Future Research

It is worth mentioning that every research has its flaws and limitations.

The first limitation is that the case study was focused only on two NGOs though operating in the identical field of activities and two are not enough to make a precise conclusion of the research study. At the same time it should be noted that the purpose of the case study is not to represent the world, but to represent the case. (Stake, 1994)

The fact is that currently many foreign and local NGOs operate in Armenia that try hard to bring any changes in the development of the Armenian society, and their number is growing rapidly. Besides, little research has been devoted yet to study the ethical aspect and employer-employee relations in the organizations, which is one of the key prerequisites fro proper functioning of any organization. Thus, it would be better for a further research on this issue study more than two organizations operating in the similar field of activities, in order to get more reliable data.

However, in order to do a broader research more time and resources are required to put into, which is the most important part of the survey, to get more in detail and tangible results.

Another shortcoming is that the questionnaire was comprised of only close-ended questions. Actually, this survey was a descriptive one and it only intended to answer the question "what": to find out whether there is statistically significant difference between the local and the foreign NGO regarding ethics and organizational climate. For a further research it would be better, based on this descriptive statistics, do an exploratory survey including also open-ended questions to find out not only "what" but also "how" in order to get more in detail information and also as a result of the survey be able to recommend some practical solutions according to the findings. This kind of research would provide the local NGO with the international experience used by the foreign NGO to overcome the same challenging situations that occur within the organization from time to time. Thus, the international practice regarding handling the same issues could serve as a guide for all the local organizations facing these kinds of problems.

Another limitation is that during the interviewing period of this survey only 15 people were interviewed which cannot guarantee representativeness. The sample size for any survey must be not less than 20. That is why other 10 people from the same two NGOs were interviewed which was simply waste of time and resources. The gathers data of the additional 10 respondents were input into SPSS and T-test was run for the second time for each measure to get more reliable data. The same procedure was repeated for the second time which enabled the researcher to get the survey results later than expected. Thus, for a further research it would be better to take account all the points of how to make a professional survey research.

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Appendixes

Measurements

Conceptualized meaning of the first variable <u>Ethical Code</u> is used to denote a written standard

of rules and regulations equa	l for both employer	rs and employees to mana	ge <u>Organizational Climate</u> .	
Ethical Code was measured by the following questions:				
1) There is a written Ethical	Code in your organ	ization.		
a) Yes	b) No	c) D	K	
2) There is a responsible con	nmittee to monitor e	ethical regulations and pro	ocedures.	
a) Yes	b) No	c) I	OK	
3) The employers and emplo	yees follow Code o	f Conduct in your organiz	zation.	
a) Very strictly b) Somewhat strictly	c) Somewhat strictly	d) Not strictly at all	
e) DK				
Conceptualized me	eaning of the secon	d variable Organizationa	al Climate is used to denote a	
sound and motivating enviro	onment for employe	e productivity and coope	eration between employers and	
employee.				
Organizational Clin	nate was measured	by the following question	ns:	
1) There is a relaxed atmospl	here within your org	ganization.		
a) Strongly agree b)) Somewhat agree	c) Somewhat disagree	d) Strongly disagree	
e) DK				
2) <u>Facilities</u> (all the equipme	ent including PC, de	esk, chair, and other mate	rials) for the employee use are	
clean and comfortable.				
a) Strongly agree b)) Somewhat agree	c) Somewhat disagree	d) Strongly disagree	
e) DK				
3) There is trust between emp	ployees and employ	ers in your organization.		
a) Strongly agree b)	Somewhat agree	c) Somewhat disagree	d) Strongly disagree	
e) DK				

4) The employees participate in decision making within your organization.				
	a) Strongly agree	b) Somewhat agree	c) Somewhat disagree	d) Strongly disagree
	e) DK			
5) En	nployers give suffici	ent feedback to their e	employees within your orga	nization.
	a) Strongly agree	b) Somewhat agree	c) Somewhat disagree	d) Strongly disagree
	e) DK			
6) Th	ere is competitive ra	ather than cooperative	relations among employees	5.
	a) Strongly agree	b) Somewhat agree	c) Somewhat disagree	d) Strongly disagree
	e) DK			

Please choose only ONE correct answer

Employers give sufficient feedback to their

employees within your organization.

cooperative relations among employees.

There is competitive rather than

1) There is a written Ethical Code in your organization.

a) Yes b) No	0		c) DK			
2) There is a responsible committee to monitor ethical regulations and procedures.						
b) Yes b) N	0		c) DK			
3) The employers and employees follow Code of Conduct in your organization.						
b) Very strictly b) Somewhat strictly c) Somewhat strictly d) Not strictly at all						
e) DK						
4) I am going to ask your opinion on some statements. Please, tell me if you if you strongly agree, somewhat agree, somewhat disagree, strongly disagree on the following statements. Please, choose only ONE correct answer. Strongly Somewhat Somewhat Strongly DK						
There is a relaxed atmosphere within your organization.	agree	agree	disagree	disagree		-
Facilities for the employee use are clean and comfortable.						_
There is trust between employees and employers in your organization.						
The employees participate in decision making within your organization.						

Findings

Table 1

T-test

1=strongly agree 4=strongly disagree	Local NGO	Foreign NGO	Statistical Significant Difference
The employers and employees strictly follow ethical rules.	m=3.17	m=1.13	0.000
There is a relaxed atmosphere within your organization.	m=3.20	m= 1.17	0.000
Facilities for the employee use are clean and comfortable.	m=3.13	m=1.27	0.000
There is trust between employees and employers in your organization.	m=3.60	m=1.30	0.000
The employees participate in decision making within your organization.	m=3.27	m=1.43	0.000
Employers give sufficient feedback to their employees within your organization.	m=3.87	m=1.60	0.000
There is competitive rather than cooperative relations among employees.	m=1.40	m=3.60	0.000